

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

MINUTES

Special Meeting

April 15, 2010

Call to Order A special meeting of the Stafford County Board of Supervisors was called to order by Mark Dudenhefer, Chairman, at 7:00 P. M., Thursday, April 15, 2010, in Conference Room A/B/C, Stafford County Administration Center.

Roll Call The following members were present: Mark Dudenhefer, Chairman; Paul V. Milde III, Vice Chairman; Harry E. Crisp II; Gary F. Snellings; Cord A. Sterling; Susan B. Stimpson; and Robert “Bob” Woodson.

Also in attendance were: Anthony Romanello, County Administrator; Joe Howard, County Attorney; Marcia Hollenberger, Chief Deputy Clerk; Pamela Timmons, Deputy Clerk; associated staff and interested parties.

The following School Board members were present: Dana Reinboldt, Chairman; Patricia Healy, Vice Chairman; Meg G. Bohmke; Stephanie Johnson; Patricia Mancini; Doreen Phillips; and Ty Scheiber.

Also in attendance were: Dr. David Sawyer, Superintendent of Schools, and associated School Division staff.

Mr. Dudenhefer gave opening remarks, welcoming all School Board members and staff.

Ms. Reinboldt gave opening remarks on behalf of the School Board and turned the question and answer portion of the meeting over to Dr. David Sawyer, Superintendent of Schools.

Dr. Sawyer responded to the questions asked by the Board of Supervisors at the March 31st joint work session.

Mr. Milde stated that his question from the previous work session had not been answered. Mr. Milde's questioned why the Schools continue to budget for, but never attain, full employment.

Dr. Sawyer responded that the Schools do not need to attain full employment in order to spend the funds; they budget for employees and vacancies and any extra funds are sent back to the Board of Supervisors.

Mr. Milde asked again that Schools make cuts to this line of the budget and in the future, budget accurately for employment.

Discussion ensued.

Mr. Sterling asked if everyone could agree that the \$181M was the accurate amount budgeted in FY2010 and that it included both the regular funds as well as stimulus funds. Mr. Sterling then asked if the stimulus monies were added before or after adoption of the budget. Ms. Patty Sullivan, Schools Director of Budget and Grants, responded that it was after, and said that it was incorporated.

Mr. Sterling asked if the budget spreadsheet that was handed out at the meeting had been voted on/approved by the School Board. Dr. Sawyer said that it had not been voted on.

Discussion ensued.

Mr. Sterling noted that the accepted School Board budget reflected a negative \$12M in the instructional line. Dr. Sawyer said it may show less in the line but it was not less in services provided to students.

Ms. Patty Sullivan talked about the State taking \$3.3M from the Schools. Ms. Sterling asked if those funds were taken by category or by lump sum. Ms. Sullivan replied that it was by lump sum. Mr. Sterling noted that if the money was taken out of the instructional line then it must have been categorical, not a lump sum payback to the State.

After complimenting Ms. Sullivan for her hard work on the budget, Ms. Stimpson noted concerning stimulus funds; “If I were in the public and watching, and the Board was saying “if we fund instruction, say \$175M, then why would you need to funnel in stimulus money...” Ms. Sullivan said that they did not. In the application, instruction is what is considered by the Schools.

Ms. Stimpson said that the Board had been told that stimulus funds were not going to be used for recurring costs, but said that it looks like it is being used 100%. Ms. Stimpson further inquired “didn’t the Board ask that it not be used in that way?”

Dr. Sawyer said that she was mistaken and added that it was to preserve and create employment, and not to cause a funding cliff. Thirty-one and one-half positions were created and funded. It is not considered recurring because the positions were not guaranteed for the next year.

Ms. Stimpson asked where the \$11M carryover went. Dr. Sawyer responded that the stimulus money and the other money are the same thing. The stimulus money was being carried forward, but it is federal money.

Ms. Stimpson said that the point she was trying to make was that the stimulus money is being carried forward. The \$132M was budgeted, the Schools spent \$121M, and it was supposed to exhaust federal and state money first.

Dr. Sawyer interrupted Ms. Stimpson saying “you need to get this straight”, and went on to say that the Board can direct the County Administrator to spend money any way the Board wants, but it cannot direct him to break the law. Stimulus money may be spent in front of, but not in place of other budgeted funds.

Ms. Stimpson asked if it was correct that the Schools froze the funds. Dr. Sawyer said that was correct. Ms. Stimpson said it wouldn't be breaking the law and that Schools decided to freeze the money instead of spending it. Dr. Sawyer said that he felt Ms. Stimpson was saying to spend stimulus funds instead of spending local money and stated that “you cannot do that”. He said that he froze those funds to prevent the County from facing a bigger cliff on July 1, 2010.

Mr. Dudenhefer stated that Schools previously reported that positions were created with stimulus money. When the stimulus money is exhausted, and the positions are still filled, it appears that Schools are now asking the Board to fund them for approximately \$2M and said that the cliff could be reduced by eliminating the positions.

Dr. Sawyer responded that he had eliminated those positions in his recommended budget but that the School Board decided to retain them and that the positions would be absorbed in available revenue.

Mr. Sterling noted that Stafford County was far more generous in funding Schools v. some other localities and asked why reductions in force, early outs, etc., were not being considered to reduce the cliff.

Discussion ensued. Dr. Sawyer said that he would provide a list to the Board of those positions that were deleted or remained unfilled.

Mr. Snellings said that he was very upset and disappointed that Schools sent a letter to 800 school employees detailing a reduction in contract length and a 9% decrease in salary

citing that this would happen if the Board of Supervisors did not fulfill the Schools budget request. Mr. Snellings further noted that there was also an article in the Free-Lance Star which came out the same day as the Board's budget public hearing and stated that he received numerous calls and emails on the subject.

Dr. Sawyer said that he felt that the letter was improperly characterized and that the letter only stated the possibility of such action. Ms. Reinboldt also responded to Mr. Snellings' comments about the letter saying that because the level of State funding was unknown, the School Board felt that it was necessary to notify personnel of any possible cuts. Ms. Reinboldt further stated that they were bound contractually to notify employees by April 15th of potential changes.

Mr. Milde felt the letter was unnecessary due to the fact that the Schools built-in funds for 100% employment which would not happen.

Ms. Mancini stated that the School Board has been panicked about finances and a possible reduction in force and sent the letter in a real move of desperation.

Discussion ensued.

Mr. Woodson stated that the revenue shortage that the County is facing is due in part to the repeal of BPOL.

Mr. Sterling said that he has seen the letter and asked, given the proposed budget, what led the School Board to believe there would have to be a salary reduction. Ms. Patricia Healy said that if Schools gets the funds that they asked for, there would be no need for a salary reduction.

Mr. Crisp asked, regarding salaries, if Schools received the proposed budgeted amount, would School have to reduce contracts for employees with 10+ month contracts. Dr. Sawyer said "no". Mr. Crisp asked how many employees had a 10+ month contract and

Dr. Sawyer said 748 approximately. Mr. Crisp asked if all of those employees got the furlough letter and Dr. Sawyer replied “yes”.

Mr. Milde noted that the budget has been approved on or around the same date every year and said he wondered why a similar letter had not been mailed in previous years. Ms. Reinboldt said that there has been a major economic change this year and that this year Schools had received no guarantee of state or local funds.

Mr. Woodson thanked Dr. Sawyer for his comprehensive and factual presentation and said that the shortage of revenue was due to in part to the elimination of BPOL.

Mr. Dudenhefer said he felt that the Schools have not done enough to adjust for the cliff, and stated that County employees have not received a raise in three years. The Sheriff’s Department and Fire and Rescue personnel were also not getting a pay raise in the coming year. Mr. Dudenhefer said that it is his opinion that all County employees should be treated the same and feels that it is unfair for only one sector to receive a raise.

Ms. Reinboldt asked how much money was in the County’s reserves. Mr. Romanello stated that the County’s fund balance was just shy of \$27M. Discussion ensued.

Mr. Dudenhefer closed by saying that he felt that work sessions are constructive and that the Board needs to look at scheduling another work session to discuss the CIP.

Ms. Reinboldt closed by saying that she was proud of the Schools staff, that they were a good educational team and she was happy to work with everyone from the Schools.

At 9:40 p.m., the Chairman declared the meeting adjourned.

Anthony J. Romanello, ICMA-CM
County Administrator

Mark Dudenhefer
Chairman